

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

D

E-02044A
Dixie-Escalante Rural Electric Association, Inc.
HC 76 Box 95
Beryl UT 84714

ARIZONA CORPORATION
COMMISSION

RECEIVED
APR 17 2003

Director of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2002
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FOR COMMISSION USE

ANN 01	02
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*Entered
4/25/03
Cym*
*(2002
assessment
db updated
Cym)*

OK

COMPANY INFORMATION

Company Name (Business Name) <u>Dixie Escalante REA Inc</u>			
Mailing Address <u>HC 76 Box 95</u>			
(Street)			
<u>Beryl</u>	<u>UT</u>	<u>84714</u>	
(City)	(State)	(Zip)	
<u>435-439-5311</u>	<u>435-439-5352</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
Local Office Mailing Address <u>Same</u>			
(Street)			
<u></u>	<u></u>	<u></u>	
(City)	(State)	(Zip)	
<u></u>	<u></u>	<u></u>	
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

MANAGEMENT INFORMATION

Management Contact: <u>R Leon Bowler</u>				<u>General Manager</u>
				(Title)
<u>Same</u>				
(Street)	(City)	(State)	(Zip)	
<u></u>	<u></u>	<u></u>	<u></u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)		
Email Address _____				
On Site Manager: <u>Chery Hulet</u>				
(Name)				
<u>Same</u>				
(Street)	(City)	(State)	(Zip)	
<u></u>	<u></u>	<u></u>	<u></u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)		
Email Address <u>cheryh@color-country.net</u>				

Statutory Agent: Dan Reber

(Name)

Littlefield Dr

(Street)

P O Box 109

(City)

Littlefield

(State)

AZ 86432

(Zip)

435-673-3297

Telephone No. (Include Area Code)

435-673-3315

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Michael Hughes of Hughes & Bursell

(Name)

187 N 100 W

(Street)

St George

(City)

UT

(State)

84770

(Zip)

435-673-4892

Telephone No. (Include Area Code)

435-673-2774

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ **Sole Proprietor (S)**

☐ **C Corporation (C) (Other than Association/Co-op)**

☐ **Partnership (P)**

☐ **Subchapter S Corporation (Z)**

☐ **Bankruptcy (B)**

☒ **Association/Co op (A)**

☐ **Receivership (R)**

☐ **Limited Liability Company**

☐ **Other (Describe)** _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**

☐ **COCHISE**

☐ **COCONINO**

☐ **GILA**

☐ **GRAHAM**

☐ **GREENLEE**

☐ **LA PAZ**

☐ **MARICOPA**

☒ **MOHAVE**

☐ **NAVAJO**

☐ **PIMA**

☐ **PINAL**

☐ **SANTA CRUZ**

☐ **YAVAPAI**

☐ **YUMA**

☐ **STATEWIDE**

SERVICES AUTHORIZED TO PROVIDE

Check the following box/s for the services that you are authorized to provide:

☒ **Electric**

- ☐ Investor Owned Electric
- ☒ Rural Electric Cooperative
- ☐ Utility Distribution Company
- ☐ Electric Service Provider
 - ☐ Transmission Service Provider
 - ☐ Meter Service Provider
 - ☐ Meter Reading Service Provider
 - ☐ Billing and Collection
 - ☐ Ancillary Services
 - ☐ Generation Provider
 - ☐ Aggregator/Broker

☐ **Telecommunications**

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☐ **Gas**

- ☐ Natural Gas
- ☐ Propane

☐ **Other** (Specify) _____

STATISTICAL INFORMATION

TELECOMMUNICATION UTILITIES ONLY

Total residential access lines	_____
Total business access lines	_____
Total revenue from Arizona operations	\$ _____
Total income from Arizona operations	\$ _____
Value of assets used to serve Arizona customers	\$ _____
Accumulated depreciation associated with those assets	\$ _____

STATISTICAL INFORMATION (CONT'D)

ELECTRIC UTILITY PROVIDERS ONLY

Total number of customers (AVERAGE)	T	8072	A	1325
Residential	T	6940	A	1150
Commercial	T	878	A	161
Industrial				
Public street and highway lighting	T	57	A	57
Irrigation	T	197	A	14
Resale				
Total kilowatt-hours sold	T	195,429,803	A	18,290,771 kWh
Residential	T	113,983,758	A	11,797,530
Commercial	T	45,270,023	A	4,407,445
Industrial				
Public street and highway lighting	T	479,343	A	0
Irrigation	T	35,696,679	A	2,085,798
Resale				
Maximum Peak Load		54.303		MW

GAS UTILITIES ONLY

Total number of customers	
Residential	
Commercial	
Industrial	
Irrigation	
Resale	
Total therms sold	therms
Residential	
Commercial	
Industrial	
Irrigation	
Resale	

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

ARIZONA CORPORATION
COMMISSION

VERIFICATION

STATE OF Utah

**I, THE UNDERSIGNED
OF THE**

COUNTY OF (COUNTY NAME)

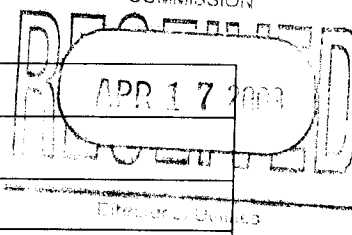
Iron

NAME (OWNER OR OFFICIAL) TITLE

Michael W Brown, President

COMPANY NAME

Dixie Escalante REA Inc



DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH

12

DAY

31

YEAR

2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 1,133,336

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 61,096
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

Michael W Brown
SIGNATURE OF OWNER OR OFFICIAL
435-439-5311
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

11

DAY OF

COUNTY NAME

Iron

MONTH

April

2003

(SEAL)

MY COMMISSION EXPIRES 10-7-2004

Chery Hulet
SIGNATURE OF NOTARY PUBLIC

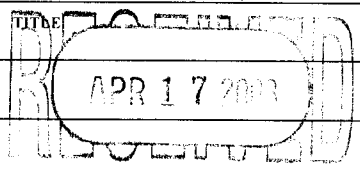


CHERY HULET
NOTARY PUBLIC - STATE OF UTAH
71 EAST HWY. 56 HC76 BOX 95
BERYL, UT 84714
COMM. EXP. 10-7-2004

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

N/A

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

(COUNTY NAME)		ARIZONA CORPORATION COMMISSION
NAME (OWNER OR OFFICIAL)	TITLE	
COMPANY NAME		

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ _____

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ _____
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X _____
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS DAY OF

NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH	. 20

(SEAL)

MY COMMISSION EXPIRES

X _____
SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2002) financial statements. If you do not compile these reports, the Utilities Division is supplying you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION	BORROWER DESIGNATION UT020
FINANCIAL AND STATISTICAL REPORT Submit one electronic copy and one signed hard copy to CFC. Round all numbers to the nearest dollar.	BORROWER NAME Dixie Escalante Rural Electric Association Inc
	ENDING DATE 12/31/2002

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

Chapman

Signature of Office Manager or Accountant 2/20/03
Date

Leon Bowler

Signature of Manager 2/25/03
Date

NEW AUTHORIZATION CHOICES

A. NRECA uses rural electric system data for legislative regulatory and other purposes. May we provide this report from your system to NRECA?

NRECA ☒ Yes or No

B. Will you authorize CFC to share your data with other co-ops on Cooperative.com's website?

Cooperative.com ☒ Yes or No

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	9,545,814	10,493,689	9,750,004	713,123
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	5,046,347	6,140,132	6,069,382	227,747
4. Transmission Expense	27,467	27,820	20,397	544
5. Distribution Expense - Operation	316,772	322,802	380,387	46,597
6. Distribution Expense - Maintenance	331,566	325,991	367,246	54,383
7. Consumer Accounts Expense	357,502	374,252	368,039	42,892
8. Customer Service and Informational Expense	166,790	134,104	226,271	11,167
9. Sales Expense	46,748	40,091	57,533	5,122
10. Administrative and General Expense	1,004,498	1,006,459	997,365	210,928
11. Total Operation & Maintenance Expense (2 thru 10)	7,297,689	8,371,651	8,486,620	599,381
12. Depreciation & Amortization Expense	651,964	728,034	673,525	89,299
13. Tax Expense - Property	223,734	158,101	158,483	14,214
14. Tax Expense - Other	0	0	0	0
15. Interest on Long-Term Debt	281,166	225,561	327,319	17,593
16. Interest Charged to Construction (Credit)	0	0	0	0
17. Interest Expense - Other	2,883	3,364	2,609	587
18. Other Deductions	(8,952)	8,174	500	3,490
19. Total Cost of Electric Service (11 thru 18)	8,448,484	9,494,884	9,649,056	724,564
20. Patronage Capital & Operating Margins (1 minus 19)	1,097,330	998,805	100,948	(11,441)
21. Non Operating Margins - Interest	241,364	211,317	175,974	19,642
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	164,376	201,942	0	202,606
25. Generation & Transmission Capital Credits	170,597	189,887	193,680	0
26. Other Capital Credits & Patronage Dividends	140,008	64,533	121,990	0
27. Extraordinary Items	783,325	0	0	0
28. Patronage Capital or Margins (20 thru 27)	2,596,999	1,666,484	592,592	210,807

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	473	612	5. Miles Transmission	55	72
2. Services Retired	0	1	6. Miles Distribution Overhead	424	429
3. Total Services In Place	8,189	8,830	7. Miles Distribution Underground	181	192
4. Idle Services (Exclude Seasonal)	63	62	8. Total Miles Energized (5+6+7)	661	693

CFC FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION UT020	
		YEAR ENDING 12/31/2002	
PART C. BALANCE SHEET			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	28,070,904	28. Memberships	8,595
2. Construction Work in Progress	3,718,063	29. Patronage Capital	6,401,452
3. Total Utility Plant (1+2)	31,788,967	30. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort	9,305,338	31. Operating Margins - Current Year	998,805
5. Net Utility Plant (3-4)	22,483,629	32. Non-Operating Margins	3,383,546
6. Nonutility Property - Net	0	33. Other Margins & Equities	790,472
7. Investment in Subsidiary Companies	0	34. Total Margins & Equities (28 thru 33)	11,582,870
8. Invest. in Assoc. Org. - Patronage Capital	178,529	35. Long-Term Debt CFC (Net)	9,807,840
9. Invest. in Assoc. Org. - Other - General Funds	274,528	(Payments-Unapplied (\$ _____))	
10. Invest in Assoc. Org. - Other - Nongeneral Funds	862,356	36. Long-Term Debt - Other (Net)	0
11. Investments in Economic Development Projects	0	(Payments-Unapplied (\$ _____))	
12. Other Investments	0	37. Total Long-Term Debt (35+36)	9,807,840
13. Special Funds	333	38. Obligations Under Capital Leases	0
14. Total Other Property & Investments (6 thru 13)	1,315,746	39. Accumulated Operating Provisions	0
15. Cash-General Funds	83,541	40. Total Other Noncurrent Liabilities (38+39)	0
16. Cash-Construction Funds-Trustee	0	41. Notes Payable	0
17. Special Deposits	121,103	42. Accounts Payable	1,044,354
18. Temporary Investments	25,000	43. Consumers Deposits	66,713
19. Notes Receivable - Net	3,059,818	44. Other Current & Accrued Liabilities	458,853
20. Accounts Receivable - Net Sales of Energy	784,616	45. Total Current & Accrued Liabilities (41 thru 44)	1,569,920
21. Accounts Receivable - Net Other	339,396	46. Deferred Credits	6,093,207
22. Materials & Supplies - Electric and Other	839,006	47. Total Liabilities & Other Credits (34+37+40+45+46)	29,053,837
23. Prepayments	0		
24. Other Current & Accrued Assets	1,982		
25. Total Current & Accrued Assets (15 thru 24)	5,254,462		
26. Deferred Debits	0		
27. Total Assets & Other Debits (5+14+25+26)	29,053,837		
PART D. NOTES TO FINANCIAL STATEMENTS			
1. CASH RECEIVED AS A RESULT OF RETIREMENT OF G&T AND OTHER CAPITAL CREDITS		2. INCOME TAX PAID	
TWO PREVIOUS YEARS	74,771	TWO PREVIOUS YEARS	0
PREVIOUS YEAR	269,594	PREVIOUS YEAR	0
CURRENT YEAR	236,051	CURRENT YEAR	0
3. AMOUNT OF GAIN FROM PREPAYMENT OF RUS NOTES			
CURRENT YEAR	20,031		
THE SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.			
<p>The amount on Line 10, \$862,356, is the Deseret Generation & Transmission Participation investment. The corresponding debt is included on Line 35. This amount should be taken out of both lines before any financial ratios are calculated.</p>			

CFC FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION UT020				
		YEAR ENDING 12/31/2002				
PART E. CHANGES IN UTILITY PLANT						
ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFER (d)	BALANCE OF YEAR (e)	DEPRECIATION RATE % (f)
1. Land and Land Rights (360)	78,310	0	0	0	78,310	
2. Structures and Improvements (361)	0	0	0	0	0	
3. Station Equipment (362)	2,112,734	666,067	0	0	2,778,801	2.87%
4. Storage Battery Equipment	0	0	0	0	0	
5. Poles, Towers, and Fixtures (364)	1,728,568	89,880	22,343	0	1,796,106	2.87%
6. Overhead Conductors and Devices (365)	1,774,622	42,336	20,787	0	1,796,172	2.87%
7. Underground Conduit (366)	402,322	2,397	0	0	404,719	2.87%
8. Underground Conductors and Devices (367)	3,428,119	134,685	5,348	0	3,557,456	2.87%
9. Line Transformers (368)	2,722,979	171,016	11,515	0	2,882,480	2.87%
10. Services (369)	798,118	4,895	65	0	802,947	2.87%
11. Meters (370)	1,173,075	189,130	61,418	0	1,300,787	2.87%
12. Installation on Consumer's Premises (371)	27,119	11,659	57	0	38,721	2.87%
13. Leased Property on Consumer's Premises (372)	0	0	0	0	0	
14. Street Lighting (373)	332,770	21,111	4,135	0	349,746	2.87%
15. SUBTOTAL: Distribution (1 thru 14)	14,578,737	1,333,178	125,668	0	15,786,246	
16. Land and Land Rights (389)	65,320	15,500	0	0	80,820	
17. Structures and Improvements (390)	1,710,150	0	0	0	1,710,150	2.00%
18. Office Furniture & Equipment (391)	711,015	23,957	0	0	734,972	4% to 10%
19. Transportation Equipment (392)	1,615,624	180,581	106,945	0	1,689,260	15.00%
20. Stores, Tools, Shop, Garage, and Laboratory Equipment (393, 394, 395)	420,588	31,589	170	0	452,007	3.60%
21. Power-Operated Equipment (396)	350,782	70,317	5,738	0	415,361	0.00%
22. Communication Equipment (397)	624,961	12,407	0	0	637,368	5.00%
23. Miscellaneous Equipment (398)	27,950	0	0	0	27,950	3.60%
24. Other Tangible Property (399)	0	0	0	0	0	
25. SUBTOTAL: General Plant (16 thru 24)	5,526,390	334,350	112,852	0	5,747,888	
26. Intangibles (301, 302, 303)	0	0	0	0	0	
27. Land and Land Rights, Roads and Trails (350, 359)	309,175	0	0	0	309,175	
28. Structures and Improvements (352)	0	0	0	0	0	
29. Station Equipment (353)	1,958,187	33,733	0	0	1,991,920	2.75%
30. Towers and Fixtures and Poles and Fixtures (354, 355)	594,692	38,064	0	0	632,757	2.75%
31. Overhead, Conductors, and Devices (356)	1,843,223	1,209,696	0	0	3,052,919	2.75%
32. Underground Conduit (357)	0	0	0	0	0	
33. Underground Conductor & Devices (358)	0	0	0	0	0	
34. SUBTOTAL: Transmission Plant (27 thru 33)	4,705,277	1,281,493	0	0	5,986,770	
35. Production Plant - Steam (310-316)	0	0	0	0	0	
36. Production Plant - Nuclear (320-325)	0	0	0	0	0	
37. Production Plant - Hydro (330-336)	0	0	0	0	0	
38. Production Plant - Other (340-346)	0	0	0	0	0	
39. All Other Utility Plant (102, 104-106, 114, 118)	0	550,000	0	0	550,000	
40. SUBTOTAL: (15+25+26+34+35 thru 39)	24,810,404	3,499,021	238,521	0	28,070,904	
41. Construction Work in Progress (107)	2,099,311	1,618,752			3,718,063	
42. TOTAL UTILITY PLANT (40+41)	26,909,714	5,117,773	238,521	0	31,788,967	

CFC FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION UT020					
		YEAR ENDING 12/31/2002					
PART F. ANALYSIS OF ACCUMULATED PROVISION FOR DEPRECIATION - TOTAL ELECTIC PLANT							
	ITEM	DISTRIBUTION PLANT (a)	GENERAL PLANT (b)	TRANSMISSION PLANT (c)	OTHER PLANT (d)		
1.	Balance Beginning of Year	4,548,245	2,878,223	1,296,021	0		
2.	Additions - Depreciation Accruals Charged to:						
	a. Depreciation Expense	430,550	151,031	132,505	27,500		
	b. Clearing Accounts and Others	0	119,354	0	0		
	c. Subtotal (a+b)	430,550	270,385	132,505	27,500		
3.	Less - Plant Retirements:						
	a. Plant Retired	145,322	112,852	0	0		
	b. Removal Costs	0	0	0	0		
	c. Subtotal (a+b)	145,322	112,852	0	0		
4.	Plus Salvaged Materials	7,717	0	0	0		
5.	TOTAL (2c - 3c +4)	292,945	157,532	132,505	27,500		
6.	Other Adjustments - Debit or Credit	0	0	0	0		
7.	Balance End of Year (1+5+6)	4,841,191	3,035,755	1,428,526	27,500		
AS OF 12/31/98 CFC NO LONGER REQUIRES SECTIONS "G", "H", "N" AND "P" DATA							
Those sections refer to data on "Materials and Supplies" (G), "Service Interruptions" (H), "Annual Meeting and Board Data" (N), and Conservation Data" [P].							
PART I. EMPLOYEE - HOUR AND PAYROLL STATISTICS							
1.	Number of Full Time Employees	39	4.	Payroll - Expensed	885,483		
2.	Employee - Hours Worked - Regular Time	81,345	5.	Payroll - Capitalized	646,661		
3.	Employee - Hours Worked - Overtime	5,610	6.	Payroll - Other	567,165		
PART J. PATRONAGE CAPITAL			PART K. DUE FROM CONSUMERS FOR ELECTRIC SERVICE				
	ITEM	THIS YEAR (a)	CUMULATIVE (b)				
1.	General Retirement	341,919	1,619,187	1. Amount Due Over 60 Days:			
2.	Special Retirements	0	1,815,053	62,266			
3.	Total Retirements (1+2)	341,919	3,434,240	2. Amount Written Off During Year:			
4.	Cash Received from Retirement of Patronage Capital by Suppliers of Electric Power	189,887		42,912			
5.	Cash Received from Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	46,164					
6.	Total Cash Received (4+5)	236,051					
PART L. KWH PURCHASED AND TOTAL COST							
	NAME OF SUPPLIER (a)	CFC USE ONLY SUPPLIER CODE (b)	KWH PURCHASED (c)	TOTAL COST (d)	AVERAGE COST PER KWH (cents) (e)	INCLUDED IN TOTAL COST FUEL COST ADJUSTMENT (f)	WHEELING & OTHER CHARGES (or Credits) (g)
1.	Deseret Generation & Transmission		210,547,415	6,118,531	2.91	0	435,800
2.			0	0	0.00	0	0
3.			0	0	0.00	0	0
4.			0	0	0.00	0	0
TOTALS			210,547,415	6,118,531	2.91	0	435,800

CFC FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION UT020				
		YEAR ENDING 12/31/2002				
PART M. LONG-TERM LEASES (If additional space is needed, use separate sheet)						
LIST BELOW ALL "RESTRICTED PROPERTY" ** HELD UNDER "LONG TERM" LEASE. (If none, State "NONE")						
	NAME OF LESSOR	TYPE OF PROPERTY			RENTAL THIS YEAR	
1.	None					
2.						
TOTAL					\$0	
<p>** "RESTRICTED PROPERTY" means all properties other than automobiles, trucks, tractors, other vehicles (including without limitation aircraft and ships), office and warehouse space and office equipment (including without limitation computers). "LONG TERM" means leases having unexpired terms in excess of 3 years and covering property having an initial cost in excess of \$250,000).</p>						
PART O. LONG-TERM DEBT SERVICE REQUIREMENTS						
	NAME OF LENDER		BILLED THIS YEAR			
		BALANCE END OF YEAR	INTEREST (a)	PRINCIPAL (b)	TOTAL (c)	CFC USE ONLY (e)
1.	National Rural Utilities Cooperative Finance Corporation	7,721,340	241,929	162,503	404,433	
2.		0	0	0	0	
3.		0	0	0	0	
4.		0	0	0	0	
5.		0	0	0	0	
6.		0	0	0	0	
7.		0	0	0	0	
8.		0	0	0	0	
9.		0	0	0	0	
TOTAL (Sum of 1 thru 9)		\$7,721,340	\$241,929	\$162,503	\$404,433	

CFC FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION UT020					
		YEAR ENDING 12/31/2002					
PART R. POWER REQUIREMENTS DATA BASE							
CLASSIFICATION	CONSUMER SALES & REVENUE DATA	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
		(a)	(b)	(c)	(d)	(e)	(f)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	6,712	6,736	6,774	6,802	6,876	6,891
	b. KWH Sold	11,101,621	11,016,253	8,125,396	6,551,421	6,270,241	9,581,372
	c. Revenue	592,154	587,900	457,494	384,535	369,956	527,659
2. Residential Sales - Seasonal	a. No. Consumers Served	0	0	0	0	0	0
	b. KWH Sold	0	0	0	0	0	0
	c. Revenue	0	0	0	0	0	0
3. Irrigation Sales	a. No. Consumers Served	196	196	196	196	196	197
	b. KWH Sold	97,922	124,126	203,372	328,543	9,310,700	5,327,587
	c. Revenue	5,121	6,617	9,992	15,545	390,035	248,748
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	821	874	877	891	895	855
	b. KWH Sold	3,465,402	3,717,070	3,325,229	3,586,426	3,415,406	3,801,784
	c. Revenue	184,866	195,937	186,245	190,973	181,511	200,386
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	0	0	0	0	0	0
	b. KWH Sold	0	0	0	0	0	0
	c. Revenue	0	0	0	0	0	0
6. Public Street & Highway Lighting	a. No. Consumers Served	55	55	54	55	55	55
	b. KWH Sold	34,707	39,192	39,192	39,399	39,399	39,399
	c. Revenue	6,399	7,179	7,179	7,215	7,215	7,215
7. Other Sales to Public Authority	a. No. Consumers Served	0	0	0	0	0	0
	b. KWH Sold	0	0	0	0	0	0
	c. Revenue	0	0	0	0	0	0
8. Sales for Resales-REA Borrowers	a. No. Consumers Served	0	0	0	0	0	0
	b. KWH Sold	0	0	0	0	0	0
	c. Revenue	0	0	0	0	0	0
9. Sales for Resales-Other	a. No. Consumers Served	0	0	0	0	0	0
	b. KWH Sold	0	0	0	0	0	0
	c. Revenue	0	0	0	0	0	0
10. TOTAL No. of Consumers (lines 1a thru 9a)		7,784	7,861	7,901	7,944	8,022	7,998
11. TOTAL KWH Sold (lines 1b thru 9b)		14,699,652	14,896,641	11,693,189	10,505,789	19,035,746	18,750,142
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)		788,540	797,633	660,910	598,268	948,718	984,007
13. Other Electric Revenue		5,875	7,703	7,071	7,506	6,731	7,790
14. KWH - Own Use		37,290	35,571	19,560	30,082	25,059	26,282
15. TOTAL KWH Purchased		16,196,394	12,901,568	12,805,223	15,481,691	19,251,977	22,699,776
16. TOTAL KWH Generated		0	0	0	0	0	0
17. Cost of Purchases and Generation		498,817	448,575	410,553	439,866	587,825	671,775
18. Interchange - KWH - Net		0	0	0	0	0	0
19. Peak - Sum All KW Input (Metered)		36,013	36,320	31,385	29,456	40,294	42,194
Non-coincident _____ Coincident <input checked="" type="checkbox"/>							

CFC FINANCIAL AND STATISTICAL REPORT				BORROWER DESIGNATION UT020 YEAR ENDING 12/31/2002				
PART R. POWER REQUIREMENTS DATA BASE (Continued) (See preceding page 6 of CFC Form 7 for Headings of Line Item numbers below.)								
LINE ITEM NUMBER		JULY (g)	AUGUST (h)	SEPTEMBER (i)	OCTOBER (j)	NOVEMBER (k)	DECEMBER (l)	TOTAL (Column a thru l)
1	a.	6,987	7,014	7,070	7,097	7,129	7,196	6,954
	b.	12,069,629	14,850,902	11,597,196	6,959,166	7,202,053	8,658,508	113,983,758
	c.	644,589	767,259	623,198	404,652	418,295	487,694	6,265,383
2	a.	0	0	0	0	0	0	0
	b.	0	0	0	0	0	0	0
	c.	0	0	0	0	0	0	0
3	a.	198	197	197	198	197	197	197
	b.	7,158,841	6,826,885	4,318,523	1,714,270	192,826	93,084	35,696,679
	c.	314,231	302,149	210,791	105,461	10,406	5,647	1,624,743
4	a.	857	890	879	886	899	908	865
	b.	4,080,419	4,696,739	4,012,137	3,528,083	3,696,294	3,945,034	45,270,023
	c.	223,707	238,583	215,992	202,299	199,292	203,832	2,423,623
5	a.	0	0	0	0	0	0	0
	b.	0	0	0	0	0	0	0
	c.	0	0	0	0	0	0	0
6	a.	55	58	60	59	59	59	57
	b.	39,399	40,986	41,331	42,159	42,090	42,090	479,343
	c.	7,215	7,491	7,551	7,695	7,683	7,683	87,718
7	a.	0	0	0	0	0	0	0
	b.	0	0	0	0	0	0	0
	c.	0	0	0	0	0	0	0
8	a.	0	0	0	0	0	0	0
	b.	0	0	0	0	0	0	0
	c.	0	0	0	0	0	0	0
9	a.	0	0	0	0	0	0	0
	b.	0	0	0	0	0	0	0
	c.	0	0	0	0	0	0	0
10		8,097	8,159	8,206	8,240	8,284	8,360	8,072
11		23,348,288	26,415,512	19,969,187	12,243,678	11,133,263	12,738,716	195,429,803
12		1,189,741	1,315,482	1,057,531	720,107	635,675	704,855	10,401,467
13		7,157	8,741	8,431	8,607	8,341	8,269	92,222
14		35,326	34,305	19,365	24,050	21,099	44,544	352,533
15		26,579,072	26,585,979	17,448,744	11,320,790	12,791,916	16,484,285	210,547,415
16		0	0	0	0	0	0	0
17		796,102	787,040	557,325	343,712	398,070	228,291	6,167,951
18		0	0	0	0	0	0	0
19		54,303	52,572	41,205	20,039	26,246	29,561	54,303

CFC INVESTMENTS, LOAN GUARANTEES AND LOANS - DISTRIBUTION		BORROWER DESIGNATION	
(All investments refer to your most recent CFC Loan Agreement)		UT020	
Submit an electronic copy and a signed hard copy to CFC. Round all amounts to the nearest dollar.		BORROWER NAME	
		Dixie Escalante Rural Electric Association Inc	
		MONTH ENDING	
		12/31/2002	
7a - PART 1 - INVESTMENTS			
DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (d)
1. NON-UTILITY PROPERTY (NET)			
1 None	0	0	0
2	0	0	0
3	0	0	0
4	0	0	0
Subtotal (Line 1 thru 4)	0	0	0
2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS			
5 Patronage Capital - NRUCFC	0	178,529	0
6 Capital Term Certificates - NRUCFC	0	267,268	0
7 Memberships - NRUCFC/NRTC/Co-Opportunity CFC	0	7,260	0
8 Participation Agreement - DG&T - (Don't use for ratios)	0	862,356	0
Subtotal (Line 5 thru 8)	0	1,315,413	0
3. INVESTMENTS IN ECONOMIC DEVELOPMENT PROJECTS			
9	0	0	0
10	0	0	0
11	0	0	0
12	0	0	0
Subtotal (Line 9 thru 12)	0	0	0
4. OTHER INVESTMENTS			
13	0	0	0
14	0	0	0
15	0	0	0
16	0	0	0
Subtotal (Line 13 thru 16)	0	0	0
5. SPECIAL FUNDS			
17 Deposit - AZ Worker's Compensation	0	333	0
18	0	0	0
19	0	0	0
20	0	0	0
Subtotal (Line 17 thru 20)	0	333	0
6. CASH - GENERAL			
21 Zions Bank - Capital Credit Fund	0	82,891	0
22 Petty Cash	650	0	0
23	0	0	0
24	0	0	0
Subtotal (Line 21 thru 24)	650	82,891	0
7. SPECIAL DEPOSITS			
25 Zions Bank/First Security Bank Sweep Accounts	0	121,103	0
26	0	0	0
27	0	0	0
28	0	0	0
Subtotal (Line 25 thru 28)	0	121,103	0
8. TEMPORARY INVESTMENTS			
29 Earnest Money - Winding River	25,000	0	0
30	0	0	0
31	0	0	0
32	0	0	0
Subtotal (Line 29 thru 32)	25,000	0	0
9. ACCOUNT & NOTES RECEIVABLE - NET			
33 Notes Receivable - Various Commercial Accounts	3,059,818	0	195,015
34 Accounts Receivable - Electric	784,616	0	33,697
35 Accounts Receivable - Material/Labor/Other	339,396	0	0
36	0	0	0
Subtotal (Line 33 thru 36)	4,183,831	0	228,711
10. COMMITMENTS TO INVEST WITH 12 MONTHS BUT NOT ACTUALLY PURCHASED			
37 None	0	0	0
38	0	0	0
39	0	0	0
40	0	0	0
Subtotal (Line 37 thru 40)	0	0	0
Total	4,209,481	1,519,739	228,711

CFC INVESTMENTS, LOAN GUARANTEES AND LOANS - DISTRIBUTION (All investments refer to your most recent CFC Loan Agreement)		BORROWER DESIGNATION UT020			
Submit an electronic copy and a signed hard copy to CFC. Round all amounts to the nearest dollar.		BORROWER NAME Dixie Escalante Rural Electric Association Inc			
		MONTH ENDING 12/31/2002			
7a - PART II. LOAN GUARANTEES					
Line No.	Organization & Guarantee Beneficiary (a)	Maturity Date of Guarantee Obligation (b)	Original Amount (\$) (c)	Performance Guarantee Exposure or Loan Balance (\$) (d)	Available Loan (Covered by Guarantees) (e)
1	None		0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
TOTALS (Line 1 thru 5)			0	0	0
7a - PART III. LOANS					
Line No.	Name of Organization (a)	Maturity Date (b)	Original Amount (\$) (c)	Loan Balance (\$) (d)	Available Loan (e)
1	Sun River St George Note 2	4/05	2,100,000	1,671,818	0
2	Fort Pierce Industrial Park			891,580	0
3	Sun Realty	2003	250,000	250,000	0
4	Iron County School District	2005	100,000	42,857	0
5	LGJ LLC		293,500	203,563	0
TOTALS (Line 1 thru 5)			2,743,500	3,059,818	0
7a - PART IV. TOTAL INVESTMENTS AND LOANS GUARANTEES					
1	TOTAL (Part I, Line 70b + Part II, Line 14d + Part III, Line 22d + Line 22e)				7,269,299
2	LARGER OF (a) OR (b)				5,791,435
	a. 15 percent of Total Utility Plant (CFC Form 7, Part C, Line 3)			4,768,345	
	b. 50 percent of Total Equity (CFC Form 7, Part C, Line 34)			5,791,435	

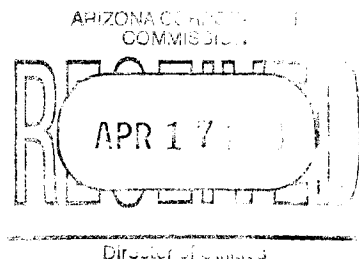
HC 76 Box 95
Beryl, UT 84714-5197
435-439-5311
Fax: 435-439-5352



145 West Brigham Rd.
St. George, UT 84790
435-673-3297
Fax: 435-673-3315

"The Power of Friendly Service"

April 11, 2003



Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix AZ 85007

To Whom it May Concern:

I have enclosed pertinent numbers for Arizona operations that are available. I can't really do an income statement or balance sheet for just Arizona operations like you have requested this year. Operations and maintenance expenses are not separated out and neither are a lot of our balance sheet figures. Our overall financial report is included. I hope that what I have submitted in the past has been sufficient because that is what I am submitting again. There is no other way I can do it. If you have any other questions or problems with what I have enclosed, please call me.

Sincerely,

A handwritten signature in cursive script that reads "Chery Hulet".

Chery Hulet
Controller

Enclosures

Pertinent numbers broken out for Arizona operations based on prior years' reports

	AZ	TOTAL
Balance Sheet Information		
Utility Plant in Service	\$2,216,609	\$28,070,904
Accumulated Depr	\$543,363	\$9,332,972
Net Utility Plant	\$1,673,246	\$18,737,932
Construction Work in Progress	\$142,434	\$3,718,063
Retirement Work in Progress	\$0	-\$27,634
Net Total Utility Plant	\$1,815,680	\$22,483,629
Taxes Accrued		
Property Tax	\$10,590	\$10,590
Sales Tax	\$5,220	\$29,033
Franchise Tax	\$21,032	\$51,514
Federal Unemployment Tax	\$0	\$0
Customer Advances for Construction	\$28,753	\$879,871
Supplementary Utility Plant Information		
Intangible Plant	\$0	\$550,000
Transmission Plant	\$741,776	\$5,986,770
Distribution Plant	\$1,428,003	\$15,786,245
General Plant	\$46,831	\$5,747,888
Total Utility Plant in Service	\$2,216,609	\$28,070,903
Construction Work In Progress	\$142,434	\$3,718,063
Total Utility Plant	\$2,359,043	\$31,788,966
Accumulated Depreciation		
Transmission	\$172,848	\$1,428,526
Distribution	\$370,132	\$4,841,191
General	\$383	\$3,035,755
Accumulated Amortization - Franchise	\$0	\$27,500
Retirement Work in Progress	\$0	-\$27,634
Net Utility Plant	\$1,815,680	\$22,483,628
Statement of Net Income		
Purchased Power		\$6,118,531
Depreciation & Amortization Expense	\$59,754	\$728,034
Property Tax Expense	\$21,181	\$158,101
Preliminary Survey Charges	\$5,957	\$9,582
Operating Revenues		
Residential Sales	\$724,988	\$6,265,383
Commercial Sales	\$251,035	\$2,423,623
Public Sales	\$0	\$87,718
Irrigation Sales	\$83,214	\$1,624,743
Total Sales	\$1,059,237	\$10,401,467
Other Operating Revenues	\$13,002	\$92,222
Total Operating Revenues	\$1,072,239	\$10,493,689

Pertinent numbers broken out for Arizona operations based on prior years' reports

	AZ	TOTAL
Statistical Information (year end)		
Residential Customers	1,187	7,196
Commercial Customers	167	908
Public Lighting Customers	0	59
Irrigation Customers	14	184
Total Ultimate Customers	1,368	8,347
Residential kWh Sold	11,797,530	113,983,758
Commercial kWh Sold	4,407,445	45,270,023
Public Lighting kWh Sold	0	479,343
Irrigation kWh Sold	2,085,798	35,696,679
Total kWh Sold	18,290,773	195,429,803
Other		
Contributions in aid of Construction		
Beginning Balance	\$1,635,043	\$12,828,739
Collected this year	\$126,304	\$1,005,665
Ending Balance	\$1,761,347	\$13,834,404